

# Legislative Issue Brief – Medicaid and Mental Health Rates



## **Catawba County Board of Commissioner's Legislative Goal**

**Support a rate increase for Medicaid and State mental health services**

### **Background**

In Fiscal Year 2008-09, Family NET continued to experience major financial challenges primarily due to mental health reform and the State's desire to reduce Medicaid expenses.

Overall, Catawba County has experienced a 32 percent average reduction in rates for 90 percent of the services in Family NET. This has accounted for over \$1M in lost revenues over the last 5 years.

During FYs 2007-08, 08-09, and 09-10 the reduction in funding has meant a drastic reduction in staffing, reductions in services to schools, a reduced ability to serve citizens timely, and the creation of waiting lists for certain enhanced services. It is inevitable that future reductions will further impact Catawba County's ability to provide consistent services across the continuum of care at Family NET.

Catawba County would like to see the State focus on providing tiered rates that adequately cover the services provided. Without this, the County's Family NET program will continue to struggle financially. In order to fully fund Family NET in its current structure, the County will need \$200,000 this year and \$235,000 next year. Furthermore, to serve all citizens as planned, the County will need in excess of \$500,000 this year and \$600,000 next year, based on the current rate structure.

### **Catawba County Legislative Contact**

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